

Letter of Intent

Exclusively as a condition of the ratification of the agreement reached between SEIU Local 517M Human Services Support Unit and the Office of the State Employer, and upon approval by the Civil Service Commission, the Employer agrees to the following:

1. The Employer will not indefinitely layoff any employee in the Human Services Support Unit, including Home Aides in the Family Independence Agency, during the term of this agreement as set forth more specifically in the Employment and Continuing Condition Guarantee Letter of Understanding between the parties.
2. The Employer will not impose additional temporary layoff days for any employees in the Human Services Support Unit during the term of this agreement.
3. The Employer will not require a one hour lunch period in the Unemployment Insurance Agency where operational needs do not preclude a one-half-hour lunch period.
4. The Employer will not require employees in the Human Services Support Unit to submit annual leave requests within 60 days of the requested leave.
5. The Employer will not make any distinction between Employment Service Interviewers employed by the State of Michigan within the Human Services Support Unit who provide services under contract with various Workforce Development Boards, and all other Employment Service Interviewers in the Human Services Support Unit, with regard to rights and privileges afforded by the SEIU Local 517M Human Services Support Unit Collective Bargaining Agreement.
6. The Employer will no longer require Human Services Support Unit employees to provide medical documentation of the need for up to two weeks of sick leave upon birth of their child, prior to beginning any paternity leave.
7. After July 1, 2004, the Employer will no longer limit annual leave requests from Human Services Support Unit employees of the Unemployment Insurance Agency to one week or less in duration, with the exception of the months of July, December and January.

This agreement shall remain in effect for 26 pay periods beginning with the pay period in which ratification occurs, except as it may be amended by changes in the Collective Bargaining Agreement on or after January 1, 2005.

Letter of Understanding Banked Leave Time Program

1. Eligibility.

Permanent and limited-term, full-time, part-time, seasonal, and intermittent, probationary and non-probationary employees shall be required to participate in the Banked Leave Time Program (Program), known as Part B under the State's Annual and Sick leave Program. Non-career employees are not eligible to participate in the Program.

2. Definitions and Description of Program.

An eligible employee shall work a regular work schedule, but receive pay for a reduced number of hours. The employee's pay shall be reduced by four (4) hours per pay period for full-time employees, and by a pro rata number of hours for less than full-time employees. The employee will be credited with a like number of Banked Leave Time (BLT) hours for each biweekly pay period.

3. Hours Eligible for Conversion to Program.

The number of BLT hours for which the employee receives credit shall be accumulated and reported periodically to participating employees. During the term of this Letter of Understanding, an employee shall not be able to accumulate in excess of 104 BLT hours. Accumulated BLT hours shall not be counted against the employee's regular annual leave cap, known as Part A hours under the Annual and Sick Leave Program.

The employee shall be eligible to use the accumulated BLT hours in a subsequent pay period in the same manner as annual leave, pursuant to Article 22. Compensatory time must be utilized prior to the utilization of BLT hours.

4. Timing of Conversion of Unused Program Hours.

Upon an employee's separation, death or retirement from state service, unused BLT hours shall be contributed by the State to the employee's account within the State of Michigan 401(k) plan, and if applicable to the State of Michigan 457 plan. Such contributions shall be treated as non-elective employer contributions, and shall be calculated using the product of the following: (i) the number of BLT hours and, (ii) the employee's base hourly rate in effect at the time of the contribution.

If the amount of a projected contribution would exceed the maximum amount allowable under Section 415 of the Internal Revenue Code (when combined with other projected contributions that count against such limit), the State shall first make a contribution to the employee's account within the State of Michigan 401(k) plan up to

the maximum allowed, and then make the additional contribution to the employee's account within the State of Michigan 457 plan.

5. Insurances, Leave Accruals and Service Credits.

Retirement service credits, overtime compensation, longevity compensation, step increases, continuous service hours, holiday pay, annual and sick leave accruals will continue as if the employee had received pay for the BLT hours. Premiums, coverage and benefit levels for insurance programs (including LTD) in which the employee is enrolled will not be changed as a result of participation in the Program. Employees shall incur no break in service due to participation in the Program. Subject to legislative approval, the Program is not intended to have an effect on the Final Average Compensation calculations under the State's Defined Benefit Plan nor the salary used for employer contribution calculations under the State's Defined Contribution Plan.

6. Relationship to Plan A and Plan C.

Before incurring unpaid Plan A or Plan C hours all BLT hours must be exhausted.

7. Term.

The Program shall be effective in the pay period within which ratification occurs. The pay reduction and accrual provisions of this Letter of Understanding shall be in effect for a total of 26 pay periods unless extended by mutual agreement of the Parties.

**Letter of Understanding
Employment and Continuing Condition Guarantee**

The Employer agrees that no employee in the SEIU Local 517M Human Services Support Bargaining Unit will be indefinitely or temporarily laid off under the provisions of Article 13, Layoff and Recall, during the term of this agreement. In the unanticipated event that it becomes necessary to abolish an occupied position necessitating a reduction in force during the term of this agreement, the Employer shall inform the Union as early as possible, but not less than thirty (30) calendar days in advance of the layoffs and discuss upon request the potential impact upon unit employees caused by such layoffs. Employee bumping rights under Article 13 shall not be diminished.

Employees affected by such layoff will be offered alternative employment. Employees who do not accept such employment shall be laid off, and such layoff shall not be deemed to violate this guarantee.

This agreement does not apply to those individuals in the Human Services Support Unit who, in September of 2002, declined to relocate upon the closure of the branch offices.

In the event the Employer refuses to offer alternative employment, upon Union request employee participation in the Banked Leave Time Program will be suspended for all employees in this bargaining unit for the remainder of this agreement, beginning with the next pay period. All accrued Bank Leave Time hours shall remain subject to the provisions of the Letter of Understanding.

**Letter of Understanding
Joint Labor/Management Review Committee
Department of Labor and Economic Growth**

The parties agree to establish a joint committee in the Department of Labor and Economic Growth comprised of three (3) representatives designated by the Union and three (3) representatives designated by the Department.

The committee shall review and discuss issues related to flexibility in scheduling mandatory overtime, overtime work on Saturdays, and the availability of adjusted work schedules in the Unemployment Insurance Agency.

The committee shall meet at mutually agreed times over no longer than a three (3) month period. Joint recommendations of the committee shall be made to the Department Deputy Director, the Director of the Office of the State Employer, and the Union President.

**Letter of Understanding
Labor Management Meetings
Department of Labor and Economic Growth
Unemployment Insurance Agency**

The parties agree to address in the Labor/Management forum the establishment of a dress code for employees working in the Remote Initial Claims Centers (RICC) and the ability to transfer within a work location. If the parties fail to reach an agreement, they may bring the issue(s) to the Office of the State Employer for assistance. Recommendations of the Committee shall be made to the Department Deputy Director no more than 90 days after the ratification of the Banked Leave Time Program.

**Letter of Understanding
Limited Term Appointments**

When an employee has been in the same limited term appointment for 4,160 continuous service hours, the employee shall be made permanent, unless the employee is working in a project which has an established ending date. This provision shall not apply in the case of a continuing state classified employee who accepts an appointment

to a limited term position, except as specified in Article 13, Section 14 of the Collective Bargaining Agreement.

**Letter of Understanding
Prescription Drug Committee**

A committee will be established with representatives of SEIU Local 517M, the Office of the State Employer, and the Department of Civil Service Employee Benefits Division to study the escalating cost of prescription drugs and evaluate ways to control such costs.

**Letter of Understanding
Department of Labor and Economic Growth
Employment Service Agency
Veterans Preference Committee**

In recognition of concerns raised by the Union during negotiations regarding Veterans Preferences required by federal law, the parties agree that the Union may designate up to three (3) Human Services Support Unit employees to serve on the Veterans Preference Committee. The Committee may utilize up to twenty-four (24) hours of administrative leave that will not be charged against the Union's Article 7 administrative leave banks.

The Committee is authorized to compile a detailed report describing the Union's concerns and the reasons for those concerns. This report will be submitted to the Director of the Department of Labor and Economic Growth and the Director of the Office of the State Employer.

**Letter of Understanding
Labor Management Meetings
Department of Labor and Economic Growth
Unemployment Insurance Agency**

In recognition of concerns raised by the Union during negotiations regarding mentoring of Unemployment Insurance Examiners in the Remote Initial Claims Centers, the parties agree to address these concerns in the Labor Management forum.

Term of Agreement

The Letters of Understanding and Letter of Intent contained in this Supplemental Agreement will be in effect beginning the pay period within which ratification occurs and continue for a total of 26 pay periods unless otherwise provided.